



IPW

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Appln No.: 10/770,984) Confirmation No. 2191
Filed: February 3, 2004)
Applicant: Gurupdesh S. PANDHER)
For: OPTION VALUATION METHOD)
AND APPARATUS)
Art Unit: 3624)
Examiner:)

Attorney Docket No.: 82352)
Customer No.: — 22242)

)

) I hereby certify that this paper (along with
any paper referred to as being attached or
enclosed) is being deposited with the United
States Postal Service with sufficient postage as
first class mail in an envelope addressed to the
Commissioner for Patents, P.O. Box 1450,
Alexandria, VA 22313-1450, on this date.
)

Date 5/20/2004 
Steven G. Parmelee
Registration No. 28,790
Attorney for Applicant(s)

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

INFORMATION DISCLOSURE STATEMENT

Sir:

Pursuant to the duty of disclosure under 37 CFR § 1.56, and in accordance with 37 CFR §§ 1.97 and 1.98, Applicant brings the following information with respect to the above-identified application to the attention of the Examiner.

NON PATENT LITERATURE DOCUMENTS

BLACK, Fischer and SCHOLES, Myron, "The Pricing of Options and Corporate Liabilities," *The Journal of Political Economy*, Vol. 81, No. 3, May-June 1973, pp. 637-654.

Application No. 10/770,984
Filed February 3, 2004
INFORMATION DISCLOSURE STATEMENT

NON PATENT LITERATURE DOCUMENTS

- MERTON, Robert C., "Option Pricing When Underlying Stock Returns Are Discontinuous," *Journal of Financial Economics*, 3 (1976), pp. 125-144.
- COX, John C., ROSS, Stephen A., and RUBINSTEIN, Mark, "Option Pricing: A Simplified Approach," *Journal of Financial Economics*, No. 7, 1979 pp. 229-263.
- LAMBERT, Richard A., LARCKER, David F., and VERRECCHIA, Robert E., "Portfolio Considerations in Valuing Executive Compensation," *Journal of Accounting Research*, Vol. 29, No. 1, Spring 1991, pp. 129-183.
- JENNERGREN, L. Peter and NÄSLUND, Bertil, "A Comment on 'Valuation of Executive Stock Options and the FASB Proposal,'" *The Accounting Review*, Vol. 68, No. 1, January 1993, pp. 179-183.
- CUNY, Charles J. and JORION, Philippe, "Valuing Executive Stock Options With Endogenous Departure," *Journal of Accounting and Economics*, 20 (1995), pp. 193-205.
- WILCOX, Jarrod W., "Selling Bottlenecks: Causes and Treatments," *Financial Analysts Journal*, March-April 1994, pp. 49-54.
- HUDDART, Steven, "Employee Stock Options," *Journal of Accounting and Economics*, 18 (1994) pp. 207-231.
- KULATILAKA, Nalin and MARCUS, Alan J., "Valuing Employee Stock Options," *Financial Analysts Journal*, November-December 1994, pp. 46-56.
- ARTZNER, Philippe and DELBAEN, Freddy, "Default Risk Insurance and Incomplete Markets," *Mathematical Finance*, Vol. 5, No. 3, July 1995, pp. 187-195.
- RUBINSTEIN, Mark, "On The Accounting Valuation Of Employee Stock Options," *The Journal of Derivatives*, Fall 1995, pp. 8-24.
- HUDDART, Steven and LANG, Mark, "Employee Stock Option Exercises, An Empirical Analysis," *Journal of Accounting and Economics*, 21 (1996) pp. 5-43.

Application No. 10/770,984
Filed February 3, 2004
INFORMATION DISCLOSURE STATEMENT

NON PATENT LITERATURE DOCUMENTS

JARROW, Robert A., LANDO, David, and TURNBULL, Stuart M., "A Markov Model for the Term Structure of Credit Risk Spreads," *The Review of Financial Studies*, Vol. 10, No. 2, Summer 1997, pp. 481-523.

DUFFIE, Darrell and SINGLETON, Kenneth J., "An Econometric Model of the Term Structure of Interest-Rate Swap Yields," *The Journal of Finance*, Vol. 52, No. 4, September 1997, pp. 1287-1321.

CARPENTER, Jennifer N., "The Exercise and Valuation of Executive Stock Options," *Journal of Financial Economics*, 48 (1998), pp. 127-158.

LANDO, David, "On Cox Processes and Credit Risky Securities," *Review of Derivatives Research*, 2 (1998), pp. 99-120.

JARROW, Robert A. and TURNBULL, Stuart M., "Pricing Derivatives on Financial Securities Subject to Credit Risk," *The Journal of Finance*, Vol. 50, No. 1, March 1995, pp. 53-85.

MADAN, Dilip B. and UNAL, Haluk, "Pricing the Risks of Default," *Review of Derivatives Research*, 2 (1998), pp. 121-160.

DUFFIE, Darrell and SINGLETON, Kenneth J., "Modeling Term Structures of Defaultable Bonds," *The Review of Financial Studies*, Vol. 12, No. 4, 1999, pp. 687-720.

BRENNER, Menachem, SUNDARAM, Rangarajan K., and YERMACK, David, "Altering the Terms of Executive Stock Options," *Journal of Financial Economics*, 57 (2000), pp. 103-128.

CARPENTER, Jennifer N. and REMMERS, Barbara, "Executive Stock Option Exercises and Inside Information," *The Journal of Business*, Vol. 74, No. 4, October 2001, pp. 513-534.

The above documents are listed on Form PTO/SB/08B which accompanies this Information Disclosure Statement. A copy of each non-patent literature document listed therein is enclosed.

Pursuant to 37 CFR § 1.97(h), the filing of this Information Disclosure Statement shall not be construed to be an admission that the information cited in the

Application No. 10/770,984
Filed February 3, 2004
INFORMATION DISCLOSURE STATEMENT

statement is, or is considered to be, material to patentability as defined in 37 CFR § 1.56(b).

The Director is hereby authorized to charge any additional fees which may be required with respect to this communication or credit any overpayment to Deposit Account No. 06-1135.

Respectfully submitted,
FITCH, EVEN, TABIN & FLANNERY
By 
Steven G. Parmelee
Registration No. 28,790

May 20, 2004

Suite 1600
120 South LaSalle Street
Chicago, Illinois 60603-3406
(312) 577-7000



PTO/SEB
Substitute File
MAY 24 2004
TO-1449

**INFORMATION DISCLOSURE
STATEMENT BY APPLICANT**

(use as many sheets as necessary)

Sheet	1	of	2	Attorney Docket	82352
-------	---	----	---	-----------------	-------

NON PATENT LITERATURE DOCUMENTS

Examiner Initials*	Cite No. ¹	Include name of the author (in CAPITAL LETTERS), title of the article (when appropriate), title of the item (book, magazine, journal, serial, symposium, catalog, etc.), date, page(s), volume-issue number(s), publisher, city and/or country where published	T ²
/M.S.		BLACK, Fischer and SCHOLES, Myron, "The Pricing of Options and Corporate Liabilities," <i>The Journal of Political Economy</i> , Vol. 81, No. 3, May-June 1973, pp. 637-654.	
		MERTON, Robert C., "Option Pricing When Underlying Stock Returns Are Discontinuous," <i>Journal of Financial Economics</i> , 3 (1976), pp. 125-144.	
		COX, John C., ROSS, Stephen A., and RUBINSTEIN, Mark, "Option Pricing: A Simplified Approach," <i>Journal of Financial Economics</i> , No. 7, 1979 pp. 229-263.	
		LAMBERT, Richard A., LARCKER, David F., and VERRECCHIA, Robert E., "Portfolio Considerations in Valuing Executive Compensation," <i>Journal of Accounting Research</i> , Vol. 29, No. 1, Spring 1991, pp. 129-183.	
		JENNERGREN, L. Peter and NÄSLUND, Bertil, "A Comment on 'Valuation of Executive Stock Options and the FASB Proposal,'" <i>The Accounting Review</i> , Vol. 68, No. 1, January 1993, pp. 179-183.	
		CUNY, Charles J. and JORION, Philippe, "Valuing Executive Stock Options With Endogenous Departure," <i>Journal of Accounting and Economics</i> , 20 (1995), pp. 193-205.	
		WILCOX, Jarrod W., "Selling Bottlenecks: Causes and Treatments," <i>Financial Analysts Journal</i> , March-April 1994, pp. 49-54.	
		HUDDART, Steven, "Employee Stock Options," <i>Journal of Accounting and Economics</i> , 18 (1994) pp. 207-231.	
		KULATILAKA, Nalin and MARCUS, Alan J., "Valuing Employee Stock Options," <i>Financial Analysts Journal</i> , November-December 1994, pp. 46-56.	
		ARTZNER, Philippe and DELBAEN, Freddy, "Default Risk Insurance and Incomplete Markets," <i>Mathematical Finance</i> , Vol. 5, No. 3, July 1995, pp. 187-195.	
↓		RUBINSTEIN, Mark, "On The Accounting Valuation Of Employee Stock Options," <i>The Journal of Derivatives</i> , Fall 1995, pp. 8-24.	
/M.S.		HUDDART, Steven and LANG, Mark, "Employee Stock Option Exercises, An Empirical Analysis," <i>Journal of Accounting and Economics</i> , 21 (1996) pp. 5-43.	

Examiner Signature	/Mohammad Shaikh/	Date Considered	01/03/2008
--------------------	-------------------	-----------------	------------

*EXAMINER: Initial if reference considered, whether or not citation is in conformance with MPEP 609. Draw line through citation if not in conformance and not considered. Include copy of this form with next communication to applicant.

¹Applicant's unique citation designation number (optional). ²Applicant is to place a check mark here if English language Translation is attached.



PTO/SB/08B

Substitute for Form PTO-146, 01-04

INFORMATION DISCLOSURE
STATEMENT BY APPLICANT

(use as many sheets as necessary)

Sheet	2	of	2	Attorney Docket	82352
-------	---	----	---	-----------------	-------

NON PATENT LITERATURE DOCUMENTS					
Examiner Initials*	Cite No. ¹	Include name of the author (in CAPITAL LETTERS), title of the article (when appropriate), title of the item (book, magazine, journal, serial, symposium, catalog, etc.), date, page(s), volume-issue numbers), publisher, city and/or country where published			T ²
/M.S.		JARROW, Robert A., LANDO, David, and TURNBULL, Stuart M., "A Markov Model for the Term Structure of Credit Risk Spreads," <i>The Review of Financial Studies</i> , Vol. 10, No. 2, Summer 1997, pp. 481-523.			
		DUFFIE, Darrell and SINGLETON, Kenneth J., "An Econometric Model of the Term Structure of Interest-Rate Swap Yields," <i>The Journal of Finance</i> , Vol. 52, No. 4, September 1997, pp. 1287-1321.			
		CARPENTER, Jennifer N., "The Exercise and Valuation of Executive Stock Options," <i>Journal of Financial Economics</i> , 48 (1998), pp. 127-158.			
		LANDO, David, "On Cox Processes and Credit Risky Securities," <i>Review of Derivatives Research</i> , 2 (1998), pp. 99-120.			
		JARROW, Robert A. and TURNBULL, Stuart M., "Pricing Derivatives on Financial Securities Subject to Credit Risk," <i>The Journal of Finance</i> , Vol. 50, No. 1, March 1995, pp. 53-85.			
		MADAN, Dilip B. and UNAL, Haluk, "Pricing the Risks of Default," <i>Review of Derivatives Research</i> , 2 (1998), pp. 121-160.			
		DUFFIE, Darrell and SINGLETON, Kenneth J., "Modeling Term Structures of Defaultable Bonds," <i>The Review of Financial Studies</i> , Vol. 12, No. 4, 1999, pp. 687-720.			
↓		BRENNER, Menachem, SUNDARAM, Rangarajan K., and YERMACK, David, "Altering the Terms of Executive Stock Options," <i>Journal of Financial Economics</i> , 57 (2000), pp. 103-128.			
/M.S./		CARPENTER, Jennifer N. and REMMERS, Barbara, "Executive Stock Option Exercises and Inside Information," <i>The Journal of Business</i> , Vol. 74, No. 4, October 2001, pp. 513-534.			
Examiner Signature	/Mohammad Shaikh/			Date Considered	01/03/2008

*EXAMINER: Initial if reference considered, whether or not citation is in conformance with MPEP 609. Draw line through citation if not in conformance and not considered. Include copy of this form with next communication to applicant.

¹ Applicant's unique citation designation number (optional). ² Applicant is to place a check mark here if English language Translation is attached.